

## On Braggarts and Gossips: Why Consumers Generate Positive but Transmit Negative Word-of-Mouth

### SHORT ABSTRACT

Past research has presented conflicting evidence as to whether consumers are more likely to share positive or negative word-of-mouth. We offer a novel theoretical perspective to reconcile this conflict by comparing the *generation* of word-of-mouth (i.e., consumers sharing information about their own experiences) to the *transmission* of word-of-mouth (i.e., consumers passing-on information about experiences they heard occurred to others). We suggest that the self-enhancement motive leads consumers to *generate* positive word-of-mouth, but also to *transmit* negative word-of-mouth. Evidence for self-enhancement motives playing out in a unique fashion at word-of-mouth generation and transmission is presented across a series of four experiments.

### LONG ABSTRACT

Research on word-of-mouth (WOM) has widely examined the type of information consumers share. Scholars have investigated whether positive or negative WOM prevails in the marketplace, but the evidence provided is mixed. Whereas anecdotal evidence (e.g., Goodman 1999) and empirical findings (e.g., Kamins, Folkes, & Pernes 1997) suggest that consumers are more likely to engage in negative WOM, other empirical evidence shows consumers are more likely to engage in positive WOM (e.g., East, Hammond, & Wright 2007). However, efforts to identify factors that could drive these contradictory findings are scant.

Building on the notion that individuals seek to self-enhance (e.g., Fiske 2001) and often consider the marketplace as a route to self-express (Berger & Heath 2007), we propose that consumers can use both positive and negative WOM to bolster their self. We predict that whether consumers fulfill their self-enhancement motive through positive or negative WOM is a function of the stage at which WOM occurs. Specifically, we suggest WOM typically unfolds over two distinct stages that have not been clearly delineated to date and that we label WOM *generation* and WOM *transmission*. WOM *generation* describes a situation where consumers share information about their own experiences with products. WOM *transmission* describes a situation where consumers pass-on information about experiences they heard occurred to someone else. We propose that consumers will engage in WOM of opposite valence in the generation versus transmission stage to self-enhance.

Past research has hypothesized that talking about one's personal positive consumption experiences could be one means to self-enhance (Sundaram, Mitra, & Webster 1998; Wojnicki & Godes 2011). While this work might support the evidence of a greater proliferation of positive information (East et al. 2007), it cannot account for the opposite evidence suggesting greater proliferation of negative information (Kamins et al. 1997). We propose that the self-enhancement motive does more than simply motivating consumers to share their own positive experiences. Past research has shown that individuals can self-enhance indirectly by talking about other people's experiences especially when they are negative (Taylor & Brown 1988; Tesser 1988). Based on this evidence, we predict that while the self-enhancement motive might lead to proliferation of positive WOM at generation, it might lead to proliferation of negative information at WOM transmission. We tested this prediction in four experiments.

Experiment 1 tested the basic prediction that individuals with a higher need to self-enhance tend to generate more positive and transmit more negative WOM than those with a lower need to self-enhance. We manipulated respondents' need to self-enhance via threat. Specifically, undergraduate students were asked to describe either the class where they had their worst academic

performance (high threat) or their last trip to the grocery store (low threat). Participants were then asked to talk to a confederate about a consumption experience occurred either to them (WOM generation) or to other people--acquaintances, friends, relatives or significant others--(WOM transmission). While listening to participants' experiences, the confederate coded them in terms of valence, on a scale ranging from - 3 to + 3. Results showed that threatened participants generated more positive and transmitted more negative WOM than non-threatened participants ( $ps < .05$ ). This experiment provided preliminary evidence that self-enhancement might play out differently across the two WOM stages, leading to generation of more positive and transmission of more negative WOM.

Experiment 2 further explored the self-enhancement account by measuring participants' self-esteem, and testing whether individuals low in self-esteem tend to generate positive but transmit negative WOM as a way to self-enhance (Shrauger 1975). We manipulated WOM stage (generation versus transmission) and valence of the experience (positive versus negative). A measure of likelihood to engage in WOM was our dependent variable. Results showed that individuals low in self-esteem indicated higher likelihood to share positive information in the generation and negative information in the transmission stage ( $ps < .01$ ). In contrast, individuals high in self-esteem showed no differences in the likelihood to generate or transmit positive versus negative information ( $ps > .10$ ). This experiment supported the proposition that individuals differentially use WOM generation and transmission to self-enhance.

Experiment 3 offered convergence on the proposed mechanism by manipulating participants' threat to self-view in the same way as Experiment 1. Unlike Experiment 1, we manipulated WOM stage. Participants were asked to write a message about a consumption experience that had occurred to them (generation) or someone else (transmission). WOM valence was our dependent variable. Results showed that threatened participants generated more positive but transmitted more negative WOM than non-threatened participants ( $ps < .05$ ).

Experiment 4 tested the prediction that individuals whose self has been threatened transmit more negative (positive) WOM than those whose self has not been threatened when the attachment to the person to whom the experience occurred is low (high). We manipulated threat in the same way as previous experiments and attachment by asking respondents to talk about a consumption experience occurred to a relevant other (high attachment) or an acquaintance (low attachment). WOM valence was our dependent variable. Results showed that when attachment was low (high) WOM from threatened participants was more negative (positive) than WOM from non-threatened participants ( $ps < .05$ ). This experiment provided further evidence on our perspective by focusing on WOM transmission and showing that the tendency to transmit negative WOM was moderated by attachment to the person to whom the experience occurred.

This research offers two important contributions to the WOM literature. First, we provide novel insights into the controversy on whether consumers engage in positive versus negative WOM. By introducing the distinction between WOM generation and transmission, we propose one means to reconcile previous conflicting findings is recognizing consumers behave differently during these two stages. Second, we advance our understanding of the role of self-enhancement as a WOM driver, by showing that consumers do not merely engage in positive WOM, but also in negative WOM to self-enhance. Thus, by investigating how the self-enhancement motive differentially drives consumers' behavior across generation and transmission, this research integrates previously inconsistent perspectives as to prevalence of positive or negative WOM in a parsimonious manner.

## References

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